

## Department of Transportation

1225.9002

49 CFR part 7. Specific contract award information shall be requested from the FOIA office of the OA making the contract award.

### PART 1225—FOREIGN ACQUISITION

#### Subpart 1225.90—Buy American Act—Steel and Manufactured Products

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AUTHORITY: 5 U.S.C. 301; 41 U.S.C. 418(b); 48 CFR 3.1.

SOURCE: 59 FR 40280, Aug. 8, 1994, unless otherwise noted.

#### Subpart 1225.90—Buy American Act—Steel and Manufactured Products

##### 1225.90 Steel and manufactured products.

###### 1225.9000 Scope. (FAA)

For the FAA, this subpart implements the Buy American provisions of the Aviation Safety and Capacity Expansion Act of 1990 (Subtitle B of Title IX of Pub. L. 101-508, the Omnibus Budget Reconciliation Act of 1990), and Pub. L. 102-581, The Airport and Airway Safety, Capacity, Noise Improvement, and Intermodal Transportation Act of 1992, Title I, Sec. 103 and 104, as these apply to the obligation of funds made available in appropriations after November 5, 1990.

###### 1225.9001 Definitions. (FAA)

As used in this subpart:

*Manufactured product* means an item produced as a result of the manufacturing process.

*Manufacturing process* means the application of processes to alter the form or function of materials or of elements of the product in a manner adding value and transforming those materials or elements so that they represent a new end product functionally different from that which would result from

mere assembly of the elements or materials.

###### 1225.9002 Policy. (FAA)

(a) This subpart sets forth the policy for the FAA pursuant to Pub. L. 101-508, and notwithstanding any other provision of law, the Secretary of Transportation shall not obligate any funds authorized to be appropriated for any project unless steel and manufactured products used in such projects are produced in the United States. Projects funded by the Research, Engineering and Development appropriation are excluded from this provision.

(b) The Act provides that the general provisions in paragraph (a) shall not apply where the Secretary of Transportation finds:

(1) That their application would be inconsistent with the public interest;

(2) That such materials and products are not produced in the United States in sufficient and reasonably available quantities and of a satisfactory quality;

(3) In the case of the procurement of facilities and equipment under the Airport and Airway Improvement Act of 1982,

(i) The cost of components and sub-components which are produced in the United States is more than 60 percent of the cost of all components of the facility or equipment used in the project, and

(ii) Final assembly of the facility or equipment described in this paragraph has taken place in the United States; or

(4) Inclusion of domestic material will increase the cost of the overall project contract by more than 25 percent.

(c) There is no restriction against a company offering foreign steel or manufactured products in its bid or proposal. The FAA, however, may not award to that company unless it is pursuant to one of the exceptions listed under (TAR) 48 CFR 1225.9002(b) (FAA).

(d) For the purpose of this subpart, in calculating components' costs, labor costs involved in final assembly shall not be included in the calculation.